Northern - reflecting passenger needs and expectations in a new contract

A submission from Transport Focus, December 2019

Introduction
The Northern franchise is in crisis. We understand a new contract must be negotiated and implemented, either with the current operator or through an Operator of Last Resort (OLR).

A complex backdrop of interlinked issues creates a challenging context.

Ongoing performance failures have eroded passenger and stakeholder confidence in the operation. There is extensive media and political interest in the problems on the network and widespread calls for action. However, given the extent of problems and multiple challenges, including financial and infrastructure constraints, there is little prospect of easy or immediate solutions.

The path back to equilibrium will be slow and testing, whoever has responsibility for delivery.

As the independent watchdog for Britain’s rail passengers, Transport Focus welcomes the opportunity to provide a passenger perspective on the current and future challenges. This paper amplifies points made in initial discussions and identifies the following priority issues as the next steps for the franchise are considered.

Key issues
Punctual and reliable services must be restored as soon as possible. This may require tough choices about a strategy to ‘stop the rot’ and stabilise before longer-term solutions can be identified and implemented.

Information provision needs to be significantly enhanced, particularly at times of disruption. Proactive communication with passengers can help people make informed decisions. Significant improvements to real-time information provision at stations and through direct communications are needed. Passengers should not set off for their journey, or stand at stations, unaware of issues that will disrupt their plans.

Build public and political trust and confidence. This will partly be dependent on addressing the performance problems but, from the outset, requires a new level of candour and transparency, combined with clearly articulated explanations and a plausible and effective strategy to be set out.

Additionally, sincere apologies from all parties involved should be made for the preceding months of pain and problems. There is a need to demonstrate the impact of these difficulties on individual consumers is genuinely understood. Industry must communicate, engage and consult more effectively. It is often not only unclear to
passengers if or how their interests have been considered, but also often which industry bodies are involved and their roles in decisions affecting them.

All communication channels must be aligned and responsive. As well as a much-improved engagement strategy with all external audiences, there is a need to ensure that staff are informed and engaged and supported in what has become a highly charged and challenging work environment.

Evidence base
Passenger priorities for improvement clearly show the importance of the core rail product.

More trains arriving on time, less frequent major unplanned disruptions to the journey, fewer trains cancelled, less disruption due to engineering works, sufficient frequency and train company keeping passengers informed about delays are all in the top eight priorities, along with value for money and ability to get a seat.

Passenger satisfaction, measured by the National Rail Passenger Survey (NRPS), demonstrates that current performance is less than satisfactory on a range of factors. Overall satisfaction with Northern stands at 78 per cent, five points below the sector average for regional operators.

Data for spring 2019 shows significant decline in 10 measures including: punctuality and reliability, frequency, length of time the journey was scheduled to take and connections with other train services.
Drivers of overall passenger satisfaction
Some of these declining factors are also important in driving passenger satisfaction, particularly punctuality and reliability and length of journey which, along with cleanliness of the inside of the train, are the top three most significant influences on overall experience.

In the diagram below, the size of the circle denotes relative importance of the top six drivers of satisfaction, so the biggest is the most important driver. The figures within are the percentage of passengers satisfied with that aspect of the journey.
Building block variations are also notable across the Northern network. The North East and East building blocks score better on many aspects, particularly on important performance and information factors, whilst the Central and West perform worse. This indicates considerable difference in the passenger experience in certain areas.

There is a wealth of further detail about passenger experience available from the NRPS. A copy of the spring 2019 train operating company report will accompany this paper. NRPS scores are also tracked on an ongoing basis across the Northern network and published annually on the Transport Focus website, providing a public statement of passenger experience as part of a transparent reporting suite.

Trust
Transport Focus first investigated the issue of trust in the rail industry in 2014. We found that the best performing train companies all had relatively high levels of trust

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1 In January 2020 the latest NRPS scores for Autumn 2019 were published: https://d3cez36w5wymxj.cloudfront.net/wp-content/uploads/2020/01/27181442/Main-Report-Autumn-2019-240120.pdf
and low levels of distrust. From this report Transport Focus developed a hierarchy of customer needs that underpinned feelings of trust.

How brands build affinity and trust

The report concluded that improving the reliability of services was key to improving overall levels of trust in an operator but that doing this alone would not be enough. To really unlock the potential requires additional focus on communications, giving passengers a greater voice - and a much greater emphasis on transparency - giving them the information they need to hold train companies to account.

What drives trust?
Our research identifies three different aspects of trust:

Trust in Competence: punctuality/reliability is the single most important hygiene factor overall; if this isn’t right then trust just isn’t possible. The central importance of punctuality/reliability chimes with other Transport Focus research where punctuality is a key driver of passenger satisfaction with their journey and features strongly in passenger priorities for improvement.

Trust in Motive: provide passengers with a sense that the train company is looking out for them (and not purely driven by commercial goals): treating customers fairly, on my side and communicating well can all help drive up levels of trust.

Trust in Judgement: passengers are also looking at the overall judgement of train companies: are they truthful, do they act with honesty and integrity, do they have

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4 https://www.transportfocus.org.uk/research-publications/publications/rail-passengers-priorities-for-improvement/
high principles and a good reputation. People look to all these things to gain a sense of whether, or not, a train company is trustworthy.

Taken together, the most significant drivers of trust suggest that delivering a reliable, dependable service, providing a sense that a train operating company is looking out for their customers and creating a positive sense of their overall judgement make the biggest difference in how passengers perceive the trustworthiness of an operator.

Building trust in a train company can therefore be regarded as a careful balance of:

- Doing what is supposed to be done – by getting people where they want to go, safely, at the time they expect to get there
- Showing care for customers – demonstrating a human sense of treating people well and fairly
- Being seen to have ethics and principles – being a ‘good’ company that has a strong moral compass.

NRPS trust scores – Northern lagging

We first added a question on trust to our survey of passenger satisfaction – the National Rail Passenger Survey (NRPS)\(^5\) in spring 2017. We now have the start of a coherent, ongoing record of passenger trust scores and how they are moving, and the ability to explore this complex issue more meaningfully.

In the most recent NRPS results for spring 2019, statistically significant falls in trust have been recorded for Northern and TransPennine Express. TransPennine Express has dropped 11 percentage points to 43 per cent and Northern has fallen from 41 to 35 per cent.

It is also instructive to consider the proportion of passengers who state they ‘do not trust’ the operator they travelled with. In spring 2019 seven operators have ten per cent or more of their passengers recording a lack of trust. These are Northern (16 per cent), Great Northern (15 per cent), Southern and South Western Railway (both at 14 per cent), Thameslink (12 per cent), Gatwick Express (11 per cent) and Southeastern (10 per cent).

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## Regional Train Operator Trust Scores - Spring 2017 to Spring 2019

<table>
<thead>
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<th>NRPS wave</th>
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</tbody>
</table>

### Northern trust and punctuality and reliability scores

The chart below illustrates the Northern trust scores alongside satisfaction with punctuality and reliability over the five National Rail Passenger Survey (NRPS) waves between spring 2017 and spring 2019.

![Northern trust and punctuality chart](chart.png)

**Key:**

Scores are shown as percentages and data is rounded to nearest whole number

- ▲ Indicates statistically significant increase since comparable wave in preceding year. Tested for Autumn 2017/2018 and Spring 2018/2019

- ▼ Indicates statistically significant decrease since comparable wave in preceding year. Tested for Autumn 2017/2018 and Spring 2018/2019
Next steps for Northern franchise and industry partners

Industry must work together
Performance is the hallmark on which the next franchise will be judged. The issues across the North require a whole industry solution. In making decisions about short-term interventions it is vital that the balance of needs is considered, along with alternative options and practical mitigations where service changes are implemented.

From crisis intervention to medium and longer-term decisions, there must be clear communication with passengers and stakeholders. Where there are options for consultation the choices must be clearly set out, with enough information for passengers to understand the impact on their own and other services. Explanations must be sufficient for people to grasp why options are presented and, ultimately, selected.

There will also be the need to manage change that follows welcome investment. The TransPennine Route Upgrade will be one such challenge requiring industry to manage significant disruption and communicate effectively to gain passenger support. Expectations and concerns will need to be addressed well in advance of works commencing.

Northern actions – needed now
The immediate priority for Northern, as the one element the operator can take immediate control, should be communication and transparency.

A mini-audit of information on the current website is revealing. Information is outdated, incomplete and apparently marketing driven rather than passenger led. The tone is not responsive to the poor image in the public and stakeholder environment.

Additionally, a ramp up of real-time information provision, improved and consistent on-station communication channels across the network and pro-active alerts to passengers who have registered journeys is needed.

An appropriate campaign to restore and build trust needs to commence at a point when passengers have some sense that services are becoming more punctual and reliable.

Emphasis to on-train and at-station environments would improve passenger perceptions of care for their travelling experience. Staff should be supported and encouraged to maintain positive and helpful attitudes to passengers, taking pro-active action where this may be necessary.

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